

**Utah Composite Return for
Nonresident Professional Team Members**

**2002
TC-65PA**

For the year ending Dec. 31, 2002, or fiscal taxable year beginning
_____ and ending _____.

Rev. 12/02

Team name		
Team mailing address		
City	State	Zip Code
Telephone number	Team Federal Employer Identification Number (EIN)	

1. Utah income attributable to nonresident team members included in composite filing
(complete form TC-65PA Schedule N on the reverse side) _____
2. Deduction amount (multiply line 1 by .15) _____
3. Utah taxable income attributable to nonresident team members
included in composite filing (line 1 less line 2) _____
4. Tax rate _____
5. Tax (line 3 multiplied by line 4) _____
6. Taxes prepaid (this includes extension prepayments and voluntary tax prepayments) _____
7. Net tax due (if line 5 is greater than line 6, subtract line 6 from line 5) _____
8. Refund (if line 6 is greater than line 5, subtract line 5 from line 6) _____

1		00
2		00
3		00
4	.07	
5		00
6		00
7		00
8		00

Official Use Only

Under penalties of perjury, I declare that to the best of my knowledge, this return and accompanying schedules are true, correct and complete.

Signature of general partner/member	Date
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Paid Preparer's Section	Paid preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN/PTIN
	Firm's name (or yours if self-employed)	Telephone number	Employer identification number	
	Paid preparer's complete address	City	State	ZIP Code

Return to be filed with the Utah State Tax Commission, 210 N 1950 W, SLC, UT 84134-0270, telephone (801) 297-2200 or 1-800-662-4335.

TC-65PA Instructions

Who may file this return

Professional athletic teams may file this return only on behalf of nonresident team members that meet all of the following conditions.

1. Utah nonresident team members included on the return may not have income from Utah sources other than team compensation. Utah resident team members may not be included on a composite return.

2. Utah nonresident team members that are entitled to mineral production tax withholding credits, agricultural off-highway gas tax credits, or other Utah credits, may not be included in a composite filing, but must individually file form TC-40, "Utah Individual Income Tax Return."

3. Participating team members must acknowledge through their election that the composite return constitutes an irrevocable filing and that they may not file an individual income tax return in Utah for that year.

When and where the return must be filed

A return must be filed with the Utah State Tax Commission, 210 N 1950 W, SLC, UT 84134-0270 on or before the 15th day of the fourth month after the close of the team's taxable year. If the due date falls on a Saturday, Sunday or legal holiday, the return will be due the following business day.

Extension of time for filing return

Taxpayers are automatically allowed an extension of up to six months to file their returns. This is an extension of time to file the return and not an extension of time to pay tax due. To avoid penalty and interest, the prepayment requirements must be met on or before the original due date and all returns must be filed within the six month extension period.

The prepayment amount must equal at least 90 percent of the tax due in the current year, or 100 percent of the previous year's Utah tax liability.

Underpayment of extension prepayment is subject to penalty (see below).

Penalties

Utah law provides for uniform tax penalties for failure to file tax returns, failure to pay tax due, and failure to file information returns or supporting schedules.

The penalty for failure to file a tax due return by the due date is the greater of \$20 or 10 percent of the unpaid tax. If a tax balance is still unpaid 90 days after the due date, a second penalty of \$20 or 10 percent of the unpaid tax, whichever is greater, will be added for failure to pay timely.

The penalty for failure to pay tax due as reported on a timely filed return, or within 30 days of a notice of deficiency, is \$20 or 10 percent of the unpaid tax, whichever is greater.

The penalty for underpayment of an extension prepayment is 2 percent per month of the unpaid tax during the extension period. If the return is not filed by the extension due date, failure to file and failure to pay penalties will apply, as if the extension had not been granted.

The penalty for failure to file an information return or a complete supporting schedule is \$50 for each return or schedule up to a maximum of \$1,000.

For a list of additional penalties that may be imposed, refer to Utah Code Ann. Section 59-1-401.

Interest

Interest is assessed at the rate prescribed by law from the original due date until paid in full. The interest rate applicable for most taxes and fees administered by the Tax Commission is 2 percentage points above the federal short-term rate in effect for the preceding fourth calendar quarter. The IRS publishes this rate in September each year.

The interest rate for most taxes and fees administered by the Tax Commission for the 2003 calendar year is 5 percent.

Form TC-15, which contains applicable interest rates, is available on the Internet or by calling or writing the Utah State Tax Commission, 210 N 1950 W, SLC, UT 84134, telephone number (801) 297-6700 or 1-800-662-4335 ext. 6700.

Signature

The return must be signed by an individual authorized to sign for the team.

Liability for tax

Nonresident team members are subject to Utah income tax for the total compensation received from a professional athletic team for services performed for the team in Utah. This calculation is made by multiplying the team member's total team compensation by a fraction, the numerator of which is the number of duty days spent by the team member in Utah, and the denominator of which is the total number of duty days spent by the team member both within and outside Utah.

Definitions

1. "Professional athletic team" includes any professional baseball, basketball, football, soccer or hockey team.

2. "Team member" includes those employees who are active players, players on the disabled list, and any other persons required to travel and who do travel with and perform services on behalf of a professional athletic team on a regular basis. This includes coaches, managers and trainers.

3. "Duty days" means all days during the taxable year from the beginning of the professional athletic team's official preseason training period through the last game in which the team competes or is scheduled to compete.

a) Duty days shall also include days on which a member of a professional athletic team renders a service for a team on a date that does not fall within the period described in 3. For example, participation in instructional leagues, the Pro Bowl or other promotional caravans. Rendering a service includes conducting training and rehabilitation activities, if conducted at the facilities of the team.

b) Included within duty days shall be game days, practice days, days spent at team meetings, promotional caravans, and preseason training camps, and days served with the team through all postseason games in which the team competes or is scheduled to compete.

c) Duty days for any person who joins a team during the season shall begin on the day that person joins the team, and for a person who leaves a team shall end on the day that person leaves the team. If a person switches teams during a taxable year, a separate duty day calculation shall be made for the period that person was with each team.

d) Days for which a team member is not compensated and is not rendering services for the team in any manner, including days when the team member has been suspended without pay and prohibited from performing any services for the team, shall not be treated as duty days.

e) Days for which a team member is on the disabled list shall be presumed not to be duty days spent in the state. They shall, however, be included in total duty days spent within and outside the state.

f) Travel days that do not involve either a game, practice, team meeting, promotional caravan or other similar team event are not considered duty days spent in the state. They shall, however, be included in total duty days spent within and outside the state.

4. "Total compensation received from a professional athletic team" means the total compensation received during the taxable year for services rendered:

a) from the beginning of the official preseason training period through the last game in which the team competes or is scheduled to compete during that taxable year; and

b) during the taxable year on a date that does not fall within the period in 4(a), for example, participation in instructional leagues, the Pro Bowl, or promotional caravans.

5. "Total compensation" includes salaries, wages, bonuses and any other type of compensation paid during the taxable year to a team member for services performed in that year.

a) Total compensation shall not include strike benefits, severance pay, termination pay, contract or option-year buyout payments, expansion or relocation payments, or any other payments not related to services rendered to the team.

b) "Bonuses" subject to the compensation calculation are:

(1) bonuses earned as a result of play during the season, including performance bonuses, bonuses paid for championship, playoff or bowl games played by a team, or for selection to all-star league or other honorary positions; and

(2) bonuses paid for signing a contract, unless all of the following conditions are met:

(a) the payment of the signing bonus is not conditional upon the signer playing any games for the team, or performing any subsequent services for the team, or even making the team;

(b) the signing bonus is payable separately from the salary and any other compensation; and

(c) the signing bonus is nonrefundable.

Recordkeeping requirements

Professional athletic teams filing on behalf of nonresident team members shall keep adequate records to substantiate their determination or to permit a determination by the Tax Commission of the team members' team compensation that was derived from or connected with sources in this state.

Rounding off to whole dollar amounts

All entries must be reported in whole dollar amounts.

If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at (801) 297-3811 or Telecommunication Device for the Deaf (TDD) (801) 297-2020. Please allow three working days for a response.

TC-65PA Schedule N

TC-65PAN

Rev. 12/02

Taxable year ending

Team employer identification number (EIN)

[illegible]

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Duplicate this form if additional sheets are necessary